



Patrick W. Henning, Director
February 19, 2008
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Arnold Schwarzenegger
Governor

Mr. Sam Couchman, Director
Imperial County Workforce Development Office
770 Main Street, Bldg. D
El Centro, CA 92243

Dear Mr. Couchman:

**WORKFORCE INVESTMENT ACT
85-PERCENT PROGRAM REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2007-08**

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Imperial County Workforce Development Office (ICWDO) Workforce Investment Act (WIA) 85-Percent grant program operations. We focused this review on the following areas: Board composition, One-Stop delivery system, program administration, WIA activities, participant eligibility, local program monitoring of subrecipients, grievance and complaint system, and management information system/reporting.

This review was conducted by Mr. David Hinojosa from September 10, 2007 through September 14, 2007.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by ICWDO with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2007-08.

We collected the information for this report through interviews with ICWDO representatives, service provider staff, and WIA participants. In addition, this report includes the results of our review of selected case files, ICWDO's response to Section I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2007-08.

We received your response to our draft report on January 17, 2008, and reviewed your comments and documentation before finalizing this report. Because your response

adequately addressed the findings cited in the draft report, no further action is required and we consider the issues resolved.

BACKGROUND

The ICWDO was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. We are providing data from PY 2006-07 because ICWDO has spent only a small amount of their funds allocated for PY 2007-08. For PY 2006-07, ICWDO was allocated: \$2,407,187 to serve 419 adult participants; \$2,072,959 to serve 496 youth participants; and \$1,261,616 to serve 114 dislocated worker participants.

For the quarter ending June 30, 2007, ICWDO reported the following expenditures for its WIA programs for PY 2006-07: \$2,407,187 for adult participants; \$2,072,959 for youth participants; and \$1,261,616 for dislocated worker participants. In addition, ICWDO reported the following enrollments for PY 2006-07: 150 adult participants; 261 youth participants; and 53 dislocated worker participants. We reviewed case files for 30 of the 55 participants enrolled in the WIA program as of September 10, 2007.

PROGRAM REVIEW RESULTS

While we concluded that, overall, ICWDO is meeting applicable WIA requirements concerning grant program administration, we noted instances of noncompliance in the following areas: 90 day gap in service activity, and Job Training Automation (JTA) reporting. The findings that we identified in these areas, our recommendations, and ICWDO's proposed resolution of the findings are specified below.

FINDING 1

Requirement: WIA Section 185(c)(2) states, in part, that each local board and each recipient receiving funds shall maintain comparable management information systems, designed to facilitate the uniform compilation and analysis of programmatic, participant and financial data necessary for monitoring and evaluating purposes. In addition, WIA Section 185(d)(1)(B) states, in part, that information to be included in reports shall include information regarding the programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities.

Training and Employment Guidance Letter (TEGL) 17-05 Section (6)(B)(1) states, in part, that the term program exit means a

participant has not received a service funded by the program or funded by a partner program for 90 consecutive calendar days, and is not scheduled for future services.

Additionally, TEGL 17-05 Section (6)(B)(3) states, in part, that once a participant has not received any services funded by the program or partner program for 90 consecutive calendar days, the date of exit is applied retroactively to the last day on which the individual received a service funded by the program or a partner program.

Observation: We found that three participant case files contained more than 90 days of inactivity. Specifically, three participants had gaps in service ranging from 13 to 18 months. Much of this inactivity was due to participants not interested in job referrals, waiting for wage information, and participants not returning calls.

Recommendation: We recommended that ICWDO demonstrate that services were provided to these participants or exit them from WIA and provide CRD with documentation of the action taken.

ICWDO Response: The ICWDO provided verification that these participants were exited from WIA. In addition, ICWDO states that they have provided training to case managers and intake workers to ensure that activities are within WIA regulations.

State Conclusion: We consider this finding resolved.

FINDING 2

Requirement: WIA Section 185(c)(2) states, in part, that each local board and each recipient receiving funds shall maintain comparable management information systems designed to facilitate the uniform compilation and analysis of programmatic, participant, and financial data necessary for monitoring and evaluating purposes. In addition, WIA Section 185(d)(1)(B) states, in part, that information to be included in reports shall include information regarding the programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities.

20 CFR Section 667.300(b)(1) states, in part, that a state or other direct grant recipient may impose different forms or shorter

formats, shorter due dates, and more frequent reporting requirements on subrecipients.

WIAD04-17 states, in part, that all recipients of WIA funds will submit client data via the JTA system, complying with the specifications for each data field. Additionally, this directive defines activity codes for the different types of services provided to participants.

Observation: We found that 14 of the 30 dislocated worker participant case files reviewed contained completed Individual Employment Plans (IEP), but ICWDO did not report this activity on the JTA system.

Recommendation: We recommended that ICWDO provide CRD with a CAP indicating how they will ensure that, in the future, all participant services are reported to the JTA system.

ICWDO Response: The ICWDO provided documentation to demonstrate that they updated 12 of the 14 dislocated worker participant case files by reporting IEP activity to the JTA system. The remaining two participants had already been exited, and changes could not be entered into the JTA system. The ICWDO reports, as part of the CAP, that they have trained all intake and case managers to review case files. In addition, managers and supervisors are conducting weekly case file reviews to ensure the proper recording of activity to the JTA system.

State Conclusion: We consider this finding resolved.

In addition to the findings above, we identified conditions that may become compliance issues if not addressed. Specifically, we observed that the Imperial County Workforce Development Board (ICWDB) lacks two union representatives on their board. We suggested that ICWDB continue to make efforts to obtain the required number of union representatives.

In its response, ICWDO reported ICWDB will be appointing a second union representative but has not done so at this time. We encourage ICWDB to continue its efforts to obtain the required number of union representatives.

Additionally, we observed that Youth Council memberships expired on June 30, 2007 and ICWDB has not appointed new Youth Council members. We suggested that ICWDB continue to make progress and appoint the new Youth Council members as soon as possible.

In its response, ICWDO stated that ICWDB has appointed the core membership of the Youth Council and is currently appointing additional Youth Council members to meet WIA guidelines. We encourage ICWDB to continue its efforts to appoint new Youth Council members.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. David Hinojosa at (916) 653-4322.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie Mar", written in a cursive style.

JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Division

cc: Shelly Green, MIC 45
Jose Luis Marquez, MIC 50
Norma McKay, MIC 50
Lloyd Saito, MIC 50